

## **Chapter 2**

# **Planning Requirements & Urban Funding Program**

### **2.1 General Discussion**

This chapter describes the MPO and State Planning Process, and the STP-Urban Program. It also presents the basic procedures for local agency participation.

FHWA funds may be used to pay project costs for preliminary engineering, right-of-way acquisition, and construction. However, FHWA funds may only be expended after authorization by MDT through FHWA. They cannot be used for lobbying efforts.

### **2.11 Planning Requirements**

At the state and federal levels, policies and procedures have been established to provide for area wide coordination of transportation programs.

The metropolitan planning provisions of Title 23, United States Code (USC), Section 134, provide an enhanced role for local governments. The Metropolitan Planning Organization (MPO) is responsible for developing, in cooperation with the state and transit operators, a long-range transportation plan and a transportation improvement program (TIP) consistent with the long-range plan. All projects in an MPO area using Title 23 or Title 49-Federal Transit Act monies must be included in the TIP in order to proceed.

The planning process requires consideration of: land use, intermodal connectivity, methods to enhance transit, and needs identified through new technical management systems.

Montana MPOs are given project selection authority for STP-Urban funds with final project approval by the Montana Transportation Commission

### **2.2 Coordination with Planning Agencies**

23 USC 134 and 135 require a continuing, cooperative and comprehensive transportation planning process. That process involves:

- MPO long-range transportation plans
- MPO Transportation Improvement Programs (TIP)
- A statewide long-range transportation plan
- A Statewide Transportation Improvement Program (STIP)

Development of the STIP includes:

- All MPO transportation improvement programs using Title 23 or Title 49 funds
- All federally funded multimodal transportation projects
- Involvement of:
  - Local agencies
  - State and Federal agencies
  - Tribal governments
  - Metropolitan Planning Organizations (MPOs)

- MDT
- Transit agencies
- Citizens
- other interested parties

## **2.21 Statewide Transportation Improvement Program**

The following are the basic required elements of the STIP, which must be approved by FHWA and the Federal Transit Administration (FTA):

- Identifies all proposed highway and transit projects in the state funded under Title 23 United States Code (USC) and the Federal Transit Act (Title 49 USC), including Federal Lands projects.
- Incorporates the metropolitan transportation improvement programs approved by the MPOs.
- In carbon monoxide, ozone, or PM-10 nonattainment areas, includes projects that conform with the State Implementation Plan (SIP).
- Maintains consistency with expected available funding.
- Identifies selection priorities developed with appropriate consultation and/or coordination with local jurisdictions, metropolitan planning organizations, and Federal Lands agencies.
- Contains all regionally significant transportation projects requiring FHWA or FTA approval, regardless of funding.
- Projects must be listed by funding source, phase, and federal fiscal year
- Must cover at least a 4-year period and be updated every 4 years
- Meets the requirements of 23 USC 135(f), Statewide Planning, coordination with local jurisdictions, and review by FHWA.

MPO TIPs must:

- Be updated at least every 4 years and approved by the MPO and the Governor.
- List all projects, including pedestrian and bicycle transportation facilities, to be funded by Title 23 or Title 49 over a 4-year period.
- Projects must be listed by funding source, phase, and federal fiscal year
- Have reasonable opportunity for public comment prior to approval.
- Include a list of prioritized projects.
- Include a financial plan for implementing the projects that is also consistent with reasonable expectation of available funding.
- Have projects consistent with the MPO long-range plan.

Additionally, projects funded only with state or local sources may be included in the STIP. For consistency in planning and coordination of projects, agencies are encouraged to include all projects for which funding is secured.

## **2.22 STIP Processes and Responsibilities**

The following timelines reflect the general processes and responsibilities reflected in state and federal law to achieve compliance with the list above. This is a very time consuming process. All steps noted are dependent upon other steps in the process.

The timelines are crucial in managing transportation funding. The times noted are based on reasonable time limits to perform the various functions. Adequate time must also be provided for the physical transmission of paper and data, as well as the discussions and analyses required at the various levels.

***MPO and STIP Timelines******TIP Timeline:***

December	MPO Requests Program & Project Information from MDT & Transit Providers
January	MDT & Transit Provider Compile Program & Project Information and send it to MPO
February	MPO puts together draft TIP and submits a copy to MDT and appropriate Air Agencies for Comment
March	MPO Revises based on Comments received; Draft TIP goes to Technical Advisory Committee (TAC) for approval; Public Comment period begins
April	Draft TIP goes to Policy Coordinating Committee (PCC) for approval; Public Comment Period ends
April-May	TIP goes to FHWA/FTA for Air Quality Conformity Determination Concurrence & submitted to Project Analysis for incorporation into STIP
Yearlong	Amendments to TIP as required

***STIP Timeline:***

Oct-Jan	Funding Evaluation, Includes Performance Programming Process
Dec-April	Preliminary Project Selection and Review
May-June	Public Review and Comment
June-July	STIP Approval by Transportation Commission and FHWA
Yearlong	Amendments to STIP/TIP as required

**2.23 MPOs**

Local agencies inside MPOs are also required to comply with federal law for any projects they wish to do with federal funds.

Project identification is generally accomplished individually for locally and federally funded projects with project inclusion in the MPO TIP for federally funded projects. Public involvement includes the MPO public comment processes. Reporting is accomplished through the submittal of the MPO TIP to MDT Transportation Planning Division. That MPO TIP is then used to assemble the STIP.

**2.24 MDT**

MDT has primary responsibility for implementation of the STIP process. This cannot be accomplished without recognizing the requirements of all transportation providers in developing their various TIPs. MDT District Offices and MDT Project Analysis have critical roles in managing the process and funds.

**2.3 Surface Transportation Program – Urban (STPU)*****Statutes***

Title 23, U.S.C. Section 133 and MCA 60-2-110,111,126,127,211

***Program Purpose***

The STPU Program provides financial resources to develop and construct improvements on the designated urban highway system.

***Funding***

The STPU program is a sub-allocation of the larger Surface Transportation Program. This sub-allocation is authorized by state statute and approved annually by the Montana Transportation Commission. The allocation is based on a per capita distribution and is recalculated each decade following the census. The per capita distribution is based on the Urban Area population. The Federal share for this program is 86.58 percent with the State contributing 13.42 percent matching funds.

***Program Eligibilities***

Activities eligible under the STPU program include:

- Construction of new facilities
- Reconstruction, resurfacing, restoration and rehabilitation of existing facilities
- Operational improvements
- Bicycle facilities, pedestrian walkways, and carpool projects and programs; and
- These funds may also be transferred into transit capital at the discretion of the urban area.

***Project Selection***

The selection process in Billings, Great Falls and Missoula is as follows:

- STPU project proposals must advance through the metropolitan planning process, come from an approved transportation plan and metropolitan TIP.
- Routes and projects are selected by the Montana Transportation Commission in cooperation with the MPO from the approved plan and metropolitan TIP
- The project is reviewed by MDT staff to assure it is affordable and eligible for STPU funds and has met the appropriate planning and programming regulations
- The Montana Transportation Commission must approve the project. Historically, the Commission has approved all projects nominated by local governments if the projects met the program criteria.
- Projects must be included in the STIP or a STIP amendment.

## 2.4 Appendix

## Appendix 2.41 Transportation Plan and Transportation Improvement Program (TIP) Process

